

LISTING STATEMENT No. 1163.

ORIGINAL LISTING OCTOBER 21, 1927

9,725 8% cumulative first preference shares of \$100 par value each (redeemed in February, 1931).

POSTED ON CURB JULY 6, 1933

29,532 7% cumulative redeemable preference shares of \$100 par value each.

LISTED FEBRUARY 25, 1935

29,532 7% cumulative redeemable preferred shares of \$100 par value each (redeemed or exchanged for new \$20 par value preference shares—January 10 to March 14, 1939).

295,852 common shares of no par value.

SUBSTITUTIONAL LISTING MARCH 13, 1939

150,000 cumulative \$1.50 dividend redeemable preference shares of \$20 par value each.

TOTAL LISTING

150,000 cumulative \$1.50 dividend redeemable preference shares of \$20 par value each.

295,852 common shares of no par value.

Ticker abbreviation NG

Dial ticker number common 284

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

NATIONAL GROCERS COMPANY LIMITED

(An operating Company incorporated under the Laws of the Province of Ontario August 15, 1925. Supplementary Letters Patent dated June 10, 1933 and December 31, 1938).

CUMULATIVE \$1.50 DIVIDEND REDEEMABLE PREFERENCE SHARES OF \$20 PAR VALUE (VOTING)

1. NATIONAL GROCERS COMPANY LIMITED (hereinafter called "the Company") hereby makes application for the listing on The Toronto Stock Exchange of 150,000 cumulative \$1.50 dividend redeemable preference shares of the par value of \$20 each, in substitution for the previously listed 29,532 7% cumulative redeemable preference shares, making the total listing applied for 150,000 cumulative \$1.50 dividend redeemable preference shares of \$20 par value each and 295,852 common shares of no par value.

2. CAPITALIZATION AS AT MARCH 1st, 1939

		NUMBER OF SHARES				
STOCK	Par Value	Authorized	Issued	Outstanding	Previously Listed	Total Listing Including this Application
\$20 par value preference	\$20	150,000	150,000	150,000	None	150,000
Common	None	300,000	295,852	295,852	295,852	295,852
FUNDED DEBT	Denomination	Authorized	Issued	Outstanding	Previously Listed	Total Listing Including this Application
4% 1st mortgage bonds	\$500 and \$1,000	\$1,200,000	\$1,200,00	\$900,000	None	None

Toronto, Ontario, March 7, 1939.

3. SHARE ISSUES

Stock	Date of Issue	Number of Shares	Amount Realized by Company Per Share	Total
\$100 par value 8% first preference	Sept. 1925	10,000	\$90	\$900,000
\$100 par value 7% preference	Sept. 1925	29,532	\$100*	\$2,953,200*
\$20 par value \$1.50 preference	Jan. 10, 1939	14,550	\$25	\$364,288
		135,450	(exchanged for old \$100 7% preference on 5 for 1 basis)	
No par value common	Sept. 1925	100,000	\$1	\$100,000
		195,852	(bonus on sale of 7% preference)	

* Nominal value in consideration of equipment and other assets.

This listing statement is a copy of the listing application made or approved by the applicant company. The Exchange has received no consideration in connection with the issue of this listing statement other than the customary listing fee. The papers and exhibits submitted by the applicant company in support of the listing application are open for inspection at the general office of the Exchange.

4.

SHARES FULLY PAID

Capital stock of the Company is fully paid and no personal liability attaches to the holders.

5.

STOCK PROVISIONS AND VOTING POWERS

Preference shares of the Company are entitled to cumulative dividends at the rate of \$1.50 per annum, payable quarterly on the first days of January, April, July and October. In event of dissolution, liquidation, bankruptcy, merger, etc., the preference shares are entitled to receive \$27.50 per share and are redeemable at the company's option on 30 days' notice at \$27.50 per share plus accrued dividends, or by purchase in the open market at a price not exceeding \$27.50 per share plus accrued dividends. After payment of preference dividends, 15% of the net earnings of the Company are to be set aside annually as provision for sinking fund payment for retirement of the preference.

Both preference and common shareholders are entitled to one vote per share. Should dividends be in arrears for four quarterly periods holders of the preference are then entitled to elect a majority of directors until dividend arrears are paid in full.

The preference stock is not convertible and there are no special provisions, rights or privileges attached to either the common or preferred shares except as mentioned above.

6.

DIVIDENDS

There have been no dividends paid or declared on the common stock. Dividends at the rate of \$1.50 per annum on the new cumulative \$1.50 dividend redeemable \$20 par value preference shares are cumulative from January 1, 1939 and initial payment of 37½ cents quarterly has been declared payable April 1, 1939 to shareholders of record March 15th.

Following is a record of dividend payments on previous preference issues of the Company:

<i>Date</i>	<i>Old 8% Cum. Pref.</i>	<i>Old 7% Cum. Pref.</i>	<i>Date</i>	<i>Old 7% Cum. Pref.</i>
1926	<i>Rate</i>	<i>Rate</i>	1933	<i>Rate</i>
Jan. 2	\$2.997*		Jan. 1	\$1.75
Apr. 2	2.00		Apr. 1	....
July 2	2.00		July 1	1.75
Oct. 2	2.00		Oct. 2	....
1927			1934	
Jan. 2	2.00		Jan. 1	2.61
Apr. 2	2.00		Apr. 2	1.75
July 2	2.00		May 1	1.75
Oct. 2	2.00		July 2	1.75
1928			Sept. 1	3.50
Jan. 2	2.00		Oct. 1	1.75
Apr. 2	2.00		1935	
July 2	2.00		Jan. 1	1.75
Oct. 2	2.00		Apr. 1	1.75
1929			May 1	3.50
Jan. 1	2.00	\$1.75	July 1	1.75
Apr. 2	2.00	....	Oct. 1	1.75
July 1	2.00	1.75	1936	
Oct. 2	2.00	....	Jan. 1	1.75
1930			Apr. 1	1.75
Jan. 2	2.00	1.75	June 1	3.50
Apr. 2	2.00	....	July 1	1.75
July 1	2.00	1.75	Oct. 1	1.75
Oct. 2	2.00	....	1937	
1931			Jan. 1	1.75
Jan. 2	2.00	....	Apr. 1	1.75
Feb. 14	1.00†		June 1	3.50
Apr. 2		....	July 1	1.75
July 1		....	Aug. 10	1.75
Oct. 1		1.75	Oct. 1	1.75
1932			1938	
Jan. 1		....	Jan. 1	1.75
Apr. 1		....	Apr. 1	1.75
July 1		....	June 10	3.50
Oct. 1		....	July 1	1.75
			Oct. 1	1.75
			1939	
			Jan. 2	1.75
			Jan. 16	2.75‡

* For the 4½ months ended December 31, 1925.

† Paid on redemption.

‡ Arrears amounted to \$20 per share upon this payment, which were paid either through conversion for new \$1.50 cumulative dividend preference shares on the basis of 5 new for 1 old, or in cash amounting to \$21.40 per share upon redemption by March 14, 1939.

7. **FUNDED INDEBTEDNESS**

Funded debt of the Company consists of an authorized \$1,200,000 of 4% serial first mortgage (closed) bonds dated October 1, 1935 due in serial amounts at the rate of \$100,000 annually from October 1, 1936 to October 1, 1947 (inclusive). These bonds are issued in denominations of \$500 and \$1,000, registerable as to principal only and interest is payable semi-annually on the first days of April and October in Canadian funds. The bonds are redeemable at option of the Company as a whole but not in part on any interest date on 30 days' notice at 102½ plus accrued interest. Interest payments have been made regularly to date.

The entire authorized issues were sold in November 1935, each serial amount of \$100,000 due on October 1st, 1936 to 1940 inclusive, at a price of 100¼% and accrued interest; serial amounts of \$100,000 each due on October 1st, 1941 to 1943 inclusive at 100% and accrued interest; and serial amounts of \$100,000 each due October 1st 1944 to 1947 inclusive at 99½% and accrued interest. To date \$300,000 have been redeemed leaving \$900,000 principal amount outstanding. The Company's subsidiary, Gold Medal Products Limited, has no funded debt.

8. **OPTIONS AND UNDERWRITINGS**

By agreement dated December 9, 1938, Messrs. Nesbitt Thomson & Company, Limited; McLeod, Young & Weir Co., Ltd. and R. A. Daly Co., Ltd. agreed to underwrite at \$25 per share the balance of the new \$20 par value cumulative \$1.50 dividend redeemable preference shares not issued under the conversion plan. Under this plan holders of the old 7% cumulative redeemable \$100 par value preference shares were given the opportunity of converting their stock into new preference on the basis of five new for one old, or having it redeemed at \$110 per share plus accrued dividends, amounting to \$21.40 per share by March 14, 1939, the date of final redemption. There were 2,442 old preference shares redeemed and 27,090 exchanged for 135,450 new preference, leaving 14,550 new \$20 preference shares to be underwritten, which were paid by the underwriters on January 9, 1939.

There are now no underwritings, options, sale agreements, conversion privileges, purchase warrants or other contracts or agreements of like nature outstanding with respect to any unissued shares, bonds or other securities or any issued shares, bonds or other securities held for the benefit of the Company.

9. **HISTORY, NATURE OF BUSINESS AND PROPERTIES**

The Company was formed in August 1925 as an amalgamation of 34 wholesale grocery company, which number has since been increased to 37. The original 36 warehouses have been reduced to 32 at present, and are located in the principal cities and towns of Ontario. The Company owns two manufacturing plants located in Toronto and Owen Sound, the latter not being in operation at present.

The plant at Toronto is engaged in the preparation of coffee, tea, spices, extracts etc. and its products are marketed under the trade name of "Gold Medal." The Company formerly disposed of some products to other wholesalers, both in Ontario and other provinces, through its subsidiary, Gold Medal Products, limited, organized in 1928 for this purpose, but these products are now handled direct by the Company.

The Company now has over 10,000 retail grocers as customers in the province of Ontario, including a chain of over 700 "Red and White" stores under contract.

Following is a partial list of the component companies concerned in the amalgamation of the Company:

MEDLAND BROTHERS, LIMITED	Toronto, Ontario.
EBY-BLAIN LIMITED	Toronto, Ontario.
T. KINNEAR & COMPANY	Toronto, Ontario.
S. W. SOMERVILLE & COMPANY	Hamilton, Ontario.
W. H. GILLARD & COMPANY	Hamilton, Ontario.
M. MASURET & COMPANY	London, Ontario.
ED. ADAMS & COMPANY	London, Ontario.
LEMON BROTHERS	Owen Sound, Ontario.
McLAUCHLAN & SON	Owen Sound, Ontario.
W. T. HARRIS & COMPANY	Owen Sound, Ontario.
T. LONG & BROTHERS	Collingwood, Ontario.
C. STEPHENS & COMPANY	Collingwood, Ontario.
MARLAND WOOLNOUGH & COMPANY	Niagara Falls, Ontario.
DAMUDE, MARKLE & SECORD	St. Catharines, Ontario.

Also included in the amalgamation were companies at Sault Ste. Marie, Oshawa, North Bay, Sudbury, Pembroke, Cochrane, Timmins, Windsor, Kingston, Welland, Chatham, Guelph, Galt, Peterborough, New Liskeard, Lindsay, Stratford, Sarnia, St. Thomas and Ottawa.

In January, 1929, the Company acquired the business of John Sloan & Company and in February, 1929, the business of Fenwick, Hendry & Company; in March, 1930 the business and stock of Hunter Company, Pembroke, Ontario.

10.

ORGANIZATION, CAPITAL AND CHARTER CHANGES

National Grocers Company, Limited was incorporated under the Laws of the Province of Ontario by Letters Patent dated August 15, 1925. On incorporation, the authorized capitalization consisted of \$2,000,000 gold notes bearing interest at the rate of 6½% per annum; \$1,000,000 of 8% cumulative redeemable first preference shares of \$100 par value each; \$3,500,000 second preference 7% cumulative \$100 par value shares and 300,000 common shares without nominal or par value. The gold note issue, preference and common stock was issued in September, 1925. The gold notes were redeemed from time to time from August, 1926 to August, 1932.

The final 5,909 8% first preference shares outstanding were redeemed in February, 1931 at the redemption price of 110% plus accrued dividend of \$1.00 per share to February 14, 1931.

Following redemption of the gold notes, an authorized \$1,250,000 first mortgage 6% bonds were issued November 1, 1933 at 96% plus accrued interest. Up to November 1, 1935, \$86,200 of these bonds had been redeemed and the balance of \$1,163,800 were redeemed at 105% plus accrued interest on Novmber 1, 1935. To provide for this redemption, an authorized \$1,200,000 of 4% serial first mortgage (closed) bonds were sold October 1, 1935. To date, \$300,000 of these bonds have been redeemed, leaving \$900,000 presently outstanding.

Following the redemption of the first preferred shares, Supplementary Letters Patent were issued June 10, 1933, changing the name of "second preference stock" to "preference stock."

To provide for cancellation through redemption or conversion of the 7% cumulative redeemable preferred shares, Supplementary Letters Patent were granted under date of December 31, 1938, authorizing the creation of 150,000 cumulative \$1.50 dividend redeemable preferred shares of \$20 par value each.

11.

SUBSIDIARY COMPANIES

The Company's only subsidiary is Gold Medal Products Limited, which was organized with authorized capital of 5,000 shares of no par value each, all of which are outstanding and held by National Grocers Co., Limited. This subsidiary was organized to take over sales of factory products of the Company and enable the Company to dispose of some products to other wholesalers both in Ontario and other provinces, but these products are now handled directly by the parent Company, although the brand name "Gold Medal" is still used.

12.

LISTING ON OTHER STOCK EXCHANGES

None.

13.

FISCAL YEAR END

March 31st in each year.

14.

DATE AND PLACE OF ANNUAL MEETING

On or before June 30th in each year, usually in Toronto.

15.

LOCATION OF HEAD OFFICE

21 Front St., East, Toronto, Ontario.

16.

TRANSFER AGENT

National Trust Company, Limited, Toronto, Ontario.

17.

REGISTRAR

The Canadian Bank of Commerce, Toronto, Ontario.

18.

OFFICERS

Name	Position Held	Address
A. MARLAND WOOLNOUGH	Chairman of the Board	Toronto, Ontario.
ARCHIE FOSTER	President and General Manager	Toronto, Ontario.
M. D. LEMON	Vice-President	Toronto, Ontario.
H. L. McNALLY	Assistant General Manager	Toronto, Ontario.
T. H. KINNEAR	Secretary and Treasurer	Toronto, Ontario.
R. H. BAINARD	Assistant Secretary-Treasurer and Comptroller	Toronto, Ontario.

DIRECTORS

<i>Name</i>	<i>Address</i>
A. MARLAND WOOLNOUGH	Toronto, Ontario.
ARCHIE FOSTER	Toronto, Ontario.
T. H. KINNEAR	Toronto, Ontario.
T. J. MEDLAND	Toronto, Ontario.
D. BLAIN	Toronto, Ontario.
W. H. KENNY	Sarnia, Ontario.
M. D. LEMON	Toronto, Ontario.
A. J. MAJOR	Ottawa, Ontario.
J. H. SIMPSON	Guelph, Ontario.
W. G. McLAUCHLAN	Owen Sound, Ontario.
HON. GEORGE GORDON	North Bay, Ontario.

CERTIFICATE

“Pursuant to a resolution duly passed by its Board of Directors the applicant company hereby applies for listing of the above mentioned securities on The Toronto Stock Exchange, and the undersigned officers thereof hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.”

Dated March 7, 1939.

NATIONAL GROCERS COMPANY, LIMITED



“M. D. LEMON”
Vice-President

“T. H. KINNEAR”
Secretary

NATIONAL GROCERS COMPANY, LIMITED

COMPARATIVE BALANCE SHEET FIGURES AS AT

ASSETS

	<i>Mar. 31/38</i>	<i>Mar. 31/37</i>	<i>Mar. 31/36</i>	<i>Mar. 31/35</i>	<i>June 30/34</i>
Cash.....	\$ 116,734	\$ 110,006	\$ 118,416	\$ 100,600	\$ 99,600
Advances on merchandise purchased.....	71,005	96,950	79,777	108,314	63,712
Accounts receivable (net).....	2,143,469	2,135,142	1,973,983	1,909,825	2,201,207
Inventories.....	2,250,898	2,775,957	2,033,899	2,109,426	2,133,867
Total current.....	\$4,582,106	\$5,118,055	\$4,206,074	\$4,228,165	\$4,498,386
Investments.....	185,922	192,648	195,941	211,950	218,124
Deferred charges.....	118,120	128,934	140,333	41,303	346,809
Properties.....	2,710,966	2,701,810	2,675,531	2,654,184	2,623,992
Total assets.....	\$7,597,114	\$8,141,447	\$7,217,879	\$7,135,603	\$7,687,311

LIABILITIES

Bank loans, etc.....	nil	\$670,919	nil	\$207,387	\$321,421
Payables.....	\$857,586	757,269	\$717,505	693,552	987,168
Dividends payable.....	51,681	51,681	51,681	51,681	51,681
Accruals.....	200,039	177,420	152,490	123,282	97,746
Total current.....	\$1,109,306	\$1,657,289	\$921,676	\$1,075,902	\$1,458,016
Depreciation reserve.....	895,822	876,635	828,840	745,484	678,552
Contingent reserve.....	150,000	150,000	150,000	150,000	150,000
Funded debt.....	1,000,000	1,100,000	1,200,000	1,163,800	1,169,800
7% Preferred stock, \$100.....	2,953,200	2,953,200	2,953,200	2,953,200	2,953,200
Common stock (a).....	295,852	295,852	295,852	295,852	295,852
Surplus.....	1,192,934	1,108,472	868,311	751,365	981,891
Total liabilities.....	\$7,597,114	\$8,141,447	\$7,217,879	\$7,135,603	\$7,687,311
NET WORKING CAPITAL.....	\$3,472,800	\$3,460,766	\$3,284,398	\$3,153,263	\$3,040,370
Current ratio.....	4.1 to 1	3.1 to 1	4.56 to 1	3.9 to 1	3.1 to 1

(a) Represented by 295,852 no par shares.

COMPARATIVE PROFIT AND LOSS ACCOUNT

	<i>Year to Mar. 31/38</i>	<i>Year to Mar. 31/37</i>	<i>Year to Mar. 31/36</i>	<i>9 Mos. to Mar. 31/35</i>	<i>Year end. June 30/34</i>
Operating profit.....	\$755,880	\$871,674	\$733,181	\$566,583	\$711,593
Depreciation.....	111,510	109,023	125,435	92,222	121,156
Provision for taxes.....	129,723	132,467	98,891	67,152	72,428
Available for interest.....	514,647	630,184	508,855	407,209	518,009
Bond interest.....	42,000	46,000	62,765	52,246	43,066
Other interest.....	12,939	19,175	11,355	27,332	57,787
Bond discount and organization expenses.....	13,480	14,762	7,702	nil	27,528
Available for dividends.....	446,228	550,247	427,032	327,631	389,628
7% Preferred dividends paid.....	361,767	310,086	310,086	258,405	230,744
Year's surplus.....	84,461	240,161	116,946	69,226	158,884
Previous surplus.....	1,108,472	868,311	751,364	981,891	838,007
Contingent reserve.....	nil	nil	nil	nil	15,000
Balance of bond discount and org. exp. w/o....	nil	nil	nil	299,753	nil
Profit and loss surplus.....	\$1,192,933	\$1,108,472	\$868,311	\$751,364	\$981,891

